

**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

In re:	Bankr. Case No. 16-27041 (JKS)
HANJIN SHIPPING CO., LTD.,	Chapter 15
Debtor in a Foreign Proceeding.	Hon. John K. Sherwood
Container Leasing International, LLC, <i>et al.</i> ,	Civ. No. 17-cv-00847
Appellants,	Appeal of a Bankruptcy Court Order
v.	Hon. Kevin McNulty
Hanjin Shipping Co., Ltd.,	
Appellee.	

**STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF SALE  
ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A  
SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.)  
LIMITED, AND TRAC INTERMODAL LLC**

Container Leasing International LLC d/b/a SeaCube Containers LLC, Textainer Equipment Management (U.S.) Limited, and TRAC Intermodal LLC (collectively, the “Appellants”), on the one hand, and Terminal Investment Limited, S.á. r.l. (“TiL”), for itself and on behalf of Hyundai Merchant Marine Ltd. (“HMM,” and with TiL, the “Purchasers”), on the other hand, hereby stipulate and agree as follows concerning the above-captioned appeal (the “Stipulated Order”), subject to Court approval:

**WHEREAS**, on August 31, 2016, Hanjin Shipping Co., Ltd. (“Hanjin” or the “Debtor”) filed an application for commencement of a rehabilitation proceeding (the “Korean Proceeding”) under the Korean Debtor Rehabilitation and Bankruptcy Act (“DRBA”) in the Seoul Central District Court (the “Korean Court”).

Case Caption:	CONTAINER LEASING INT’L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of Stipulated Order:	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

**WHEREAS**, on **September 1**, 2016, the Korean Court entered an order commencing the Korean Proceeding and appointing Tai-Soo Suk (the “Foreign Representative”) to act as Hanjin’s custodian in the Korean Proceeding.

**WHEREAS**, on September 2, 2016, the Foreign Representative commenced this chapter 15 case by filing the (i) *Chapter 15 Petition for Recognition of Foreign Proceeding* [Bankr. Docket No. 1] and (ii) *Motion of Foreign Representative for Entry of Provisional and Final Orders Granting Recognition of Foreign Main Proceeding and Certain Related Relief Pursuant to Sections 362, 365, 1517, 1519, 1520, 1521, and 105(a) of the Bankruptcy Code* [Bankr. Docket No. 5] in the United States Bankruptcy Court for the District of New Jersey (the “Bankruptcy Court”).

**WHEREAS**, on December 14, 2016, the Bankruptcy Court entered its *Final Order Granting Recognition of Foreign Main Proceeding and Certain Related Relief Pursuant to Sections 362, 365(e), 1517, 1520, 1521, and 105(a) of the Bankruptcy Code* (the “Recognition Order”) [Bankr. Docket No. 486].

**WHEREAS**, the Recognition Order, among other things, recognized the Korean Proceeding as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code and entrusted the administration and realization of the Debtor’s assets located within the territorial jurisdiction of the United States to the Foreign Representative.

**WHEREAS**, on December 20, 2016, the Korean Court entered an order (the “Korean Sale Order”) providing, among other things, authorization for Hanjin to sell its equity interests and shareholder loans in Total Terminals International, LLC, and Hanjin Shipping TEC, Inc. (collectively, the “U.S. Port Assets”) to Purchasers, subject to the condition that this Court

Case Caption:	CONTAINER LEASING INT'L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF
Stipulated Order:	SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

authorize and direct that the sale proceeds be transmitted to Korea for administration in the Korean Proceeding.

**WHEREAS**, on December 22, 2016, the Foreign Representative filed the *Motion of Foreign Representative Pursuant to Sections 105(A), 363, 365, 1501, 1514, 1520 and 1521 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, 6006 and 9014, for Entry of an Order (I) Recognizing and Enforcing the Korean Sale Order, (II) Approving the Sale of the Debtor's Interests in TTI and HTEC, (III) Entrusting Distribution of the Sale Proceeds to the Foreign Representative and (IV) Granting Related Relief* [Bankr. Docket No. 492] (“the Sale Motion”) seeking an order (i) recognizing and enforcing in the United States the Korean Sale Order; (ii) approving, pursuant to section 363 of the Bankruptcy Code, the sale of the Debtor’s right, title, and interest in and to the U.S. Port Assets to the Purchasers, free and clear of all liens, claims, encumbrances and other interests (except permitted liens); (iii) entrusting the distribution of the sale proceeds to the Foreign Representative and authorizing and directing the sale proceeds be transmitted to Korea for administration in the Korean Proceeding as required by the Korean Sale Order; and (iv) granting related relief.

**WHEREAS**, on January 12 and 13, 2017, the Bankruptcy Court held a contested evidentiary hearing concerning the relief requested in the Sale Motion (the “Hearing”).

**WHEREAS**, on January 17, 2017, the Bankruptcy Court held a telephonic conference with the Korean Court pursuant to section 1525(b) of the Bankruptcy Code, concerning, among other things, the requirement of the Korean Sale Order that the sale proceeds be transmitted to Korea (the “Teleconference”).

Case Caption:	CONTAINER LEASING INT'L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF
Stipulated Order:	SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

**WHEREAS**, on January 18, 2017, the Bankruptcy Court rendered an oral ruling granting the Sale Motion (the “Oral Ruling”).

**WHEREAS**, on January 23, 2017, the Bankruptcy Court entered the *Order Pursuant to Sections 105(a), 363, 365, 1501, 1514, 1520 and 1521 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004, 6006 and 9014, for Entry of an Order (I) Recognizing and Enforcing the Korean Sale Order, (II) Approving the Sale of the Debtor's Interests in TTI and HTEC, (III) Entrusting Distribution of the Sale Proceeds to the Foreign Representative and (IV) Granting Related Relief* [Bankr. Docket No. 599] (the “Sale Order”).

**WHEREAS**, the Sale Order, among other things: (i) authorized the sale of the U.S. Port Assets by Hanjin to the Purchasers, as good faith purchasers, free and clear of all liens, claims, encumbrances and other interests (except as otherwise provided in the Sale Order); and (ii) entrusted the sale proceeds to Hanjin’s Foreign Representative and subjected the sale proceeds to the jurisdiction and administration of the Korean Court in the Korean Proceeding.

**WHEREAS**, by its terms, the Sale Order was stayed through and including January 27, 2017.

**WHEREAS**, no party sought or obtained a stay of the Sale Order pending appeal.

**WHEREAS**, on February 1, 2017, pursuant to the unstayed Sale Order, the sale transaction closed and the sale proceeds were transmitted to Korea for administration in the Korean Proceeding.

**WHEREAS**, on February 6, 2017, Appellants filed a notice of appeal of the Sale Order (the “Appeal”), and the Appeal is currently pending before the United States District Court for the District of New Jersey (the “District Court”).

Case Caption:	CONTAINER LEASING INT'L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF
Stipulated Order:	SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

**WHEREAS**, on February 23, 2017, Appellants filed their statement of issues to be presented on appeal, identifying the following single issue: “Whether the Court correctly required all common benefit claims to be presented, determined and paid only in Korea, where neither the Korean Debtor Rehabilitation and Bankruptcy Act (“DRBA”) nor Korean courts impose such a requirement.”

**WHEREAS**, pursuant to section 363(m) of the Bankruptcy Code, the reversal or modification on appeal of an order authorizing the sale to a good faith purchaser under section 363 of the Bankruptcy Code does not affect the validity of such sale, unless such authorization and such sale were stayed pending appeal.

**WHEREAS**, on March 13, 2017, TiL timely moved in the District Court to intervene in the Appeal on behalf of the Purchasers (Docket No. 2) (the “Motion to Intervene”).

**WHEREAS**, on April 3, 2017, Appellants filed their opposition (Docket No. 5) (the “Opposition”) to the Motion to Intervene.

**WHEREAS**, TiL’s reply in support of the Motion to Intervene would be due on or before April 10, 2017, pursuant to Bankruptcy Rule 8013(a)(3)(B) (the “Reply”).

**WHEREAS**, Appellants and Purchasers jointly drafted this Stipulated Order to confirm that the relief Appellants seek in the Appeal will not in any way affect or impair the validity of the sale of the U.S. Port Assets to the Purchasers or any of the findings, conclusions or protections inuring to the Purchasers’ benefit in connection with the Sale Order.

Case Caption:	CONTAINER LEASING INT'L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF
Stipulated Order:	SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

**NOW, THEREFORE**, in consideration of the foregoing recitals, **IT IS HEREBY STIPULATED AND AGREED**, subject to District Court approval, by and between the Purchasers and Appellants through their respective counsel as follows:

1. Any relief granted in the Appeal shall be limited solely to whether common benefit claims against Hanjin must be presented, determined and paid only in Korea, and no other relief may be sought or granted.

2. The Appellants do not and shall not seek relief in the Appeal or otherwise that impairs or affects, and no relief granted in the Appeal shall impair or affect, the validity of the sale, including without limitation the following:

- a. The Purchasers are good faith purchasers;
- b. The Purchasers are entitled to the protections of section 363(m) of the Bankruptcy Code;
- c. The Purchasers acquired the U.S. Port Assets free and clear of all liens, claims, encumbrances, and other interests under section 363(f) of the Bankruptcy Code (except as otherwise expressly provided in the Sale Order);
- d. The Purchasers would not have agreed to the sale if it was not free and clear;
- e. The sale of the U.S. Port Assets without free and clear relief would have yielded substantially less value;

Case Caption:	CONTAINER LEASING INT'L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF
Stipulated Order:	SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

- f. Notice of the Sale Motion was proper under the requirements of the Bankruptcy Code and applicable rules, including Bankruptcy Rule 6004(c);
- g. The sale proceeds constitute reasonably equivalent value for the U.S. Port Assets; and
- h. The sale was not for the purpose of hindering, delaying, or defrauding present or future creditors of Hanjin.

3. Notwithstanding anything stated in the Opposition or by Appellants otherwise, including, without limitation, the statement of Appellants at page 2 of the Opposition that Appellants question “the legality of entrusting the Foreign Representative with the Sale Proceeds for distribution back to Korea, which deprived them of their legal right to priority of payment, unjustly enriched others to their detriment, and contravened United States public policy by applying foreign law at the expense of U.S. citizens’ statutory and constitutional rights,” the Appellants do not and shall not seek relief in the Appeal or otherwise that impairs or affects, and no relief granted in the Appeal shall impair or affect, the validity of the Korean Sale Order or the transmittal of the sale proceeds to Korea for administration in the Korean Proceeding.

4. This Stipulated Order is subject to approval by the District Court, and the parties shall use good faith, commercially reasonable efforts to obtain such approval.

5. TiL’s time to file the Reply is extended until five business days after any order entered denying approval of this Stipulated Order. Such agreement to extend TiL’s deadline is not subject to approval of the District Court and shall be effective immediately upon execution of this Stipulated Order.

Case Caption:	CONTAINER LEASING INT'L, LLC, <i>et al.</i> , v. HANJIN SHIPPING CO., LTD.
Case No.	17-CV-00847
Caption of Stipulated Order:	STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

6. Upon approval and entry of this Stipulated Order by the District Court, among other relief TiL may have to enforce this Stipulated Order, TiL may intervene in the Appeal to the extent TiL deems it necessary to enforce this Stipulated Order. Upon entry of this Stipulated Order and the Stipulated Order becoming final, TiL will otherwise withdraw its Motion to Intervene.

7. The District Court retains jurisdiction to interpret and enforce this Stipulated Order.

*[Signatures follow]*



Case Caption: CONTAINER LEASING INT'L, LLC, *et al.*, v. HANJIN SHIPPING CO., LTD.  
Case No. 17-CV-00847  
Caption of STIPULATED ORDER CONCERNING RELIEF SOUGHT ON APPEAL OF  
Stipulated Order: SALE ORDER BY APPELLANTS, CONTAINER LEASING INTERNATIONAL  
LLC D/B/A SEACUBE CONTAINERS LLC, TEXTAINER EQUIPMENT  
MANAGEMENT (U.S.) LIMITED, AND TRAC INTERMODAL LLC

---

Dated: April 11, 2017

Dated: April 11, 2017

KASEN & KASEN, P.C.

WASSERMAN JURISTA & STOLZ, P.C.

/s/ Jenny R. Kasen

Jenny R. Kasen, Esq.  
Society Hill Office Park, Suite 3  
1874 E. Marlton Pike  
Cherry Hill, NJ 08003  
Telephone: (856) 424-4144  
Facsimile: (856) 424-7565  
E-Mail: jkasen@kasenlaw.com  
ID# JK1680

/s/ Donald Clarke

Donald Clarke, Esq.  
110 Allen Road, Suite 304  
Basking Ridge, New Jersey 07920  
Telephone: (973) 467-2700  
Facsimile: (973) 467-8126  
Email: dclarke@wjslaw.com

– and –

SIMMS SHOWERS LLP

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ Matthew B. Harvey

Robert J. Dehney, Esq.  
Eric D. Schwartz, Esq.  
Matthew B. Harvey, Esq.  
1201 N. Market Street, 16th Floor  
Wilmington, Delaware 19801  
Telephone: (302) 658-9200  
E-Mail(s): rdehney@mnat.com  
eschwartz@mnat.com  
mharvey@mnat.com

/s/ Stephen J. Simms

Stephen J. Simms, Esq.  
201 International Circle  
Baltimore, Maryland 21030  
Telephone: (410) 783-5795  
Facsimile: (410) 510-1789  
Email: jssimms@simmsshowers.com

*Counsel to Terminal Investment Limited, S.á. r.l.,  
for itself and on behalf of Hyundai Merchant  
Marine Ltd.*

*Counsel for Container Leasing International  
LLC d/b/a SeaCube Containers LLC,  
Textainer Equipment Management (U.S.)  
Limited, and TRAC Intermodal LLC*

The foregoing relief is **SO ORDERED**.

Dated: \_\_\_\_\_

\_\_\_\_\_  
USDJ Kevin McNulty